

11/17/78 [2]

Folder Citation: Collection: Office of Staff Secretary; Series: Presidential Files; Folder: 11/17/78 [2]; Container 98

To See Complete Finding Aid:

http://www.jimmycarterlibrary.gov/library/findingaids/Staff_Secretary.pdf

WITHDRAWAL SHEET (PRESIDENTIAL LIBRARIES)

FORM OF DOCUMENT	CORRESPONDENTS OR TITLE	DATE	RESTRICTION
Memo	Patti Knox to Tim Kraft, w/attachments 23 pp., re: Overview of Bureau of the Census	11/14/78	A

FILE LOCATION

Carter Presidential Papers-Staff Offices, Office of Staff Sec.-Presidential Handwriting File, 11/17/78 [2] Box 109

RESTRICTION CODES

- (A) Closed by Executive Order 12356 governing access to national security information.
- (B) Closed by statute or by the agency which originated the document.
- (C) Closed in accordance with restrictions contained in the donor's deed of gift.

1:15 p.m.

THE WHITE HOUSE

WASHINGTON

November 16, 1978

9
—

MEMORANDUM FOR THE PRESIDENT

FROM: Walt Wurfel *WW*

SUBJECT: Meeting with Non-Washington Editors/Broadcasters
Cabinet Room, 1:15 p.m., Friday, November 17

Jody and Jerry suggest that, in your opening comments, you may wish to discuss the anti-inflation compliance letter to the Fortune 500 executives. A White House pool will be in the room during the first two minutes.

This group is from 15 states, It includes editors from the Copley, Knight-Ridder and Landmark chains.

At the 25-minute mark I will give the usual "Thank you sir" to allow time for individual pictures.

The agenda and list of participants are attached.

THE WHITE HOUSE

WASHINGTON

Editors' Briefing

November 17, 1978

AGENDA

8:30-8:40 a.m.	Coffee
8:40-9:00 a.m.	WALTER WURFEL Deputy Press Secretary
	PATRICIA Y. BARIO Associate Press Secretary Office of Media Liaison
	PATRICIA E. BAUER Editor White House News Summary
	RICHARD L. NELSON Special Assistant Office of Media Liaison
9:00-9:45 a.m.	ROBERT RUSSELL Deputy Director Council on Wage and Price Stability
9:45-10:00 a.m.	Break
10:00-11:00 a.m.	WILLIAM H. CABLE Deputy Assistant for Congressional Liaison, House
	DAN TATE Special Assistant for Congressional Liaison, Senate
11:00-11:15 a.m.	Break
11:15-12:00 noon	TERRY ADAMSON Director of Public Information Department of Justice

12:00-12:10 p.m.	Buffet Lunch
12:10-12:40 p.m.	Luncheon Speaker ANNE WEXLER Assistant to the President
12:40-12:55 p.m.	Break
12:55-1:05 p.m.	En Route to Cabinet Room
1:05-1:15 p.m.	REX GRANUM Deputy Press Secretary
1:15-1:45 p.m.	Q & A WITH PRESIDENT CARTER
1:45-2:30 p.m.	Filing Time
2:30-3:15 p.m.	ZBIGNIEW BRZEZINSKI Assistant to the President for National Security Affairs
3:15-4:00 p.m.	MARY BERRY Assistant Secretary for Education Department of Health, Education, and Welfare

THE WHITE HOUSE

WASHINGTON

ALABAMA: Stephen Stewart, editor, Monroe Journal.
Well-to-do weekly.

ARIZONA: Duncan Osborn, managing editor, Yuma Sun. Paper is moderate. Concerns: Illegal alien problems along the border, and possible construction of the so-called "Tortilla Curtain."

CALIFORNIA: Peter Kaye, associate editor, San Diego Union. Conservative, Republican paper, part of Copley News Service.

COLORADO: Cosmo Harris, editor and publisher, Denver Weekly News. The only black newspaper in Colorado; concerned primarily with local issues and black community problems.

CONNECTICUT: W. Roy Hales, editor and publisher, Hartford Inquirer, Hartford. Small, black paper. Generally pro Administration.

Robert Pantano, news director, WICC Radio, Bridgeport. Concerned about environmental issues, such as clean up Long Island Sound.

INDIANA: Bill Jackson, editor, Evansville Daily Courier. Stresses state and local news. Fairly conservative.

IOWA: James Gannon, executive editor, Des Moines Register and Tribune. Former Wall Street Journal Capitol Hill correspondent. Papers supported veto of Meat Import Act, SALT and African policy. Strongly against nomination of Don O'Brien to be U.S. Judge. Will probably raise the issue. Only state-wide papers.

Betty Wagner, editor, Monticello Express.
Small weekly in northeast Iowa. Concerns:
Agricultural issues.

MARYLAND: Rhody Bosley, vice president and general
manager, WITH Radio, Baltimore.

NEW HAMPSHIRE: William Rotch, publisher and editor,
Milford Cabinet. Family-owned weekly
paper. Very supportive on Panama Canal.

Morris Quinn, news director, WGIR Radio,
Manchester.

NEW YORK: George Leonardos, editor, The National
Herald. Greek/American daily in NYC.

NORTH CAROLINA: Rolfe Neill, president and publisher,
Charlotte Observer. Paper is a member
of the Knight-Ridder chain.

OHIO: John Wolf, president, Cincinnati Suburban
Newspapers. Republican conservative
papers. Concerns: Inflation.

TEXAS: Jim Servatuis, managing editor, Reporter
Telegram, Midland. Very Republican paper.

William Salter, managing editor, Brownsville
Herald. Paper does not support this Adminis-
tration, does not believe in public education
or the Customs Service.

Ramiro Cordoba, news director, KCOR Radio
San Antonio. Concerns: Illegal aliens
and the "Tortilla Curtain."

Warren Henry, editor, Mesquite Daily News.
Congressman Mattox personally called to
say that the paper is very supportive of
the President. Concerns: Inflation and
the gasoline tax.

VIRGINIA:

Gene Owens, editor, Virginia Beach Beacon
section of The Virginia-Pilot and The
Ledger Star.

Larry Chambers, editor, Galax Gazette.

Theodore Powers, editorial director,
WDBJ-TV, Roanoke.

Godfrey Stancill, publisher, News-Herald,
Suffolk.

WISCONSIN:

Richard Mial, opinion page editor, La Crosse
Tribune. Senator Proxmire called to say
that the Trib is sympathetic and friendly
to the Administration. Concerns: Environ-
ment and consumer issues.

THE WHITE HOUSE
WASHINGTON

17 Nov 78

Bob Lipshutz

The attached was returned in the President's outbox today and is forwarded to you for your information. The signed original has been given to Bob Linder for appropriate handling.

Rick Hutcheson

cc: Bob Linder

THE WHITE HOUSE

WASHINGTON

November 15, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ *BL*

RE: Proposed Executive Orders Entitled:
(1) "Privileges, Immunities and Liability Insurance for Diplomatic Missions and Personnel"
(2) "Levels IV and V of the Executive Schedule"

(1) The recently passed Diplomatic Relations Act requires the President to establish liability insurance requirements to be met by diplomatic missions and personnel. The first attached order delegates the President's authority in this area to the Secretary of State.

(2) The second attached order, proposed by Defense, elevates the position of Director of Policy Review from level V to level IV. This change is required because the responsibilities of the position of Director of Policy Review have broadened significantly and are now equivalent to those of Assistant Secretaries of Defense at level IV.

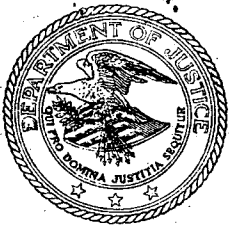
We recommend that you approve both orders.

☒ Approve

☐ Disapprove

OMB and Justice concur. No objection from NSC. *J*

TWO SIGNATURES REQUESTED



Office of the Attorney General
Washington, D. C. 20530

1979

The President,

The White House.

My dear Mr. President:

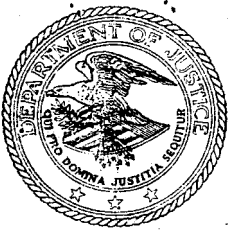
I am herewith transmitting a proposed Executive order entitled "Levels IV and V of the Executive Schedule."

This proposed order was prepared in the Office of Management and Budget at the request of the Department of Defense. It has been forwarded for the consideration of this Department as to form and legality by the Office of Management and Budget with the approval of the Director.

The proposed Executive order is approved as to form and legality.

Respectfully,

John M. Harmon
Assistant Attorney General
Office of Legal Counsel



Office of the Attorney General
Washington, D. C. 20530

8 FEB 1976

The President,

The White House.

My dear Mr. President:

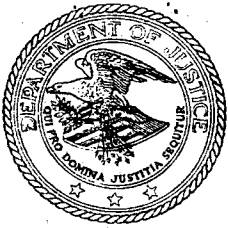
I am herewith transmitting a proposed Executive order entitled "Privileges, Immunities and Liability Insurance for Diplomatic Missions and Personnel."

This proposed order was submitted by the Department of State and has been forwarded for the consideration of this Department as to form and legality by the Office of Management and Budget with the approval of the Director, after revision in that agency.

The proposed Executive order is approved as to form and legality.

Respectfully,

John M. Harmon
Assistant Attorney General
Office of Legal Counsel



Office of the Attorney General
Washington, D. C. 20530

1978

The President,

The White House.

My dear Mr. President:

I am herewith transmitting a proposed Executive order entitled "Levels IV and V of the Executive Schedule."

This proposed order was prepared in the Office of Management and Budget at the request of the Department of Defense. It has been forwarded for the consideration of this Department as to form and legality by the Office of Management and Budget with the approval of the Director.

The proposed Executive order is approved as to form and legality.

Respectfully,

John M. Harmon
Assistant Attorney General
Office of Legal Counsel

THE WHITE HOUSE

WASHINGTON

November 15, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: BOB LIPSHUTZ *BL*

RE: Proposed Executive Orders Entitled:
(1) "Privileges, Immunities and Liability Insurance for Diplomatic Missions and Personnel"
(2) "Levels IV and V of the Executive Schedule"

(1) The recently passed Diplomatic Relations Act requires the President to establish liability insurance requirements to be met by diplomatic missions and personnel. The first attached order delegates the President's authority in this area to the Secretary of State.

(2) The second attached order, proposed by Defense, elevates the position of Director of Policy Review from level V to level IV. This change is required because the responsibilities of the position of Director of Policy Review have broadened significantly and are now equivalent to those of Assistant Secretaries of Defense at level IV.

We recommend that you approve both orders.

☒ Approve

☐ Disapprove

OMB and Justice concur. No objection from NSC. *J*

TWO SIGNATURES REQUESTED

THE WHITE HOUSE
WASHINGTON

17 Nov 78

Bob Lipshutz

The attached was returned in
the President's outbox today.
It is forwarded to you for
your information.

Rick Hutcheson





EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

GENERAL COUNSEL

November 6, 1978

Honorable Griffin B. Bell
Attorney General
Washington, D. C. 20530

Dear Mr. Attorney General:

Enclosed, in accordance with the provisions of Executive Order No. 11030, as amended, is a proposed Executive order entitled "Privileges, Immunities and Liability Insurance for Diplomatic Missions and Personnel."

This proposed Executive order was submitted by the Department of State, along with the enclosed transmittal letter. The proposed order would delegate to the Secretary of State the President's authority to regulate requirements for liability insurance and to enter into reciprocal agreements for privileges and immunities for diplomatic personnel. See the enclosed transmittal letter from the Department of State for a more detailed explanation.

The proposed order has been slightly edited in this office as to form. Additionally, because the authority under the Diplomatic Relations Act (Public Law 95-393) does not vest in the President until the Act becomes effective on December 29, 1978 (Section 9 of the Act), we have amended the proposed order to make it clear that the President intends to delegate the authority that is or will be vested in him by that Act when it becomes effective.

In order to provide sufficient lead time for the Secretary of State to initiate "rulemaking proceeding prescribing liability insurance" the Department of State urges that this proposed order be submitted expeditiously for the President's consideration. We urge that it be issued on or before November 15, 1978.

Your staff may direct any questions concerning this proposed Executive order to Mr. Ronald A. Kienlen of this office (395-5600).

This proposed Executive order has the approval of the Director of the Office of Management and Budget.

Sincerely,

(Signed) William M. Nichols

William M. Nichols
General Counsel

Enclosures



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

GENERAL COUNSEL

November 6, 1978

Honorable Griffin B. Bell
Attorney General
Washington, D. C. 20530

Dear Mr. Attorney General:

Enclosed, in accordance with the provisions of Executive Order No. 11030, as amended, is a proposed Executive order entitled "Levels IV and V of the Executive Schedule."

This proposed Executive order was prepared in this office at the request of the Department of Defense. The proposed order would elevate the position of Director of Policy Review, Department of Defense, which is presently in level V of the Executive Schedule, to level IV of the Executive Schedule.

Section 5317 of Title 5 of the United States Code authorizes the President to place, not to exceed, 34 positions in levels IV or V of the Executive Schedule "when he considers that action necessary to reflect changes in organization, management responsibilities, or workload in an Executive agency." The Deputy Secretary of Defense has described those changes as follows:

"Since that time [May 1977], as the result of my DoD organizational/management realignment efforts, the responsibilities of the position have broadened significantly. More specifically, the incumbent has become the DoD focal point for policy and requirements matters relating to intelligence, telecommunications, command and control, security, and counterintelligence. As a result, his decisions and actions have a

major impact on the Department, as well as other Executive Branch Agencies. Furthermore, as one of the key Deputies to the newly appointed Under Secretary of Defense for Policy, it is likely that the incumbent will take on even greater responsibilities as time goes on.

"The scope and complexity of the programs assigned to this position, as well as the incumbent's stature within and outside the Department, are clearly equivalent to that of the Assistant Secretaries of Defense, who are at Level IV. Accordingly, it is requested that the Executive Level V authorization presently assigned to the Director of Policy Review be elevated to Executive Level IV and redesignated as Deputy Under Secretary of Defense for Policy."

This change will not alter the number of positions placed in the President's "pool" of Executive level positions - 34 - which is the maximum number allowed.

Your staff may direct any questions concerning this proposed Executive order to Mr. Ronald A. Kienlen of this office (395-5600).

This proposed Executive order has the approval of the Director of the Office of Management and Budget.

Sincerely,

(Signed) William M. Nichols

William M. Nichols
General Counsel

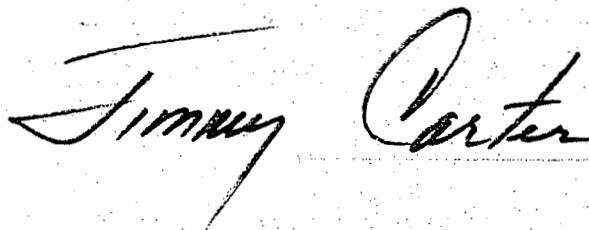
Enclosure

EXECUTIVE ORDER

- - - - -

PRIVILEGES, IMMUNITIES AND LIABILITY INSURANCE
FOR DIPLOMATIC MISSIONS AND PERSONNEL

By the authority vested in me as President of the United States of America by the Diplomatic Relations Act (Public Law 95-393, 92 Stat. 808; 22 U.S.C. 254a et seq.) and Section 301 of Title 3 of the United States Code, in order to implement the liability insurance and other requirements relating to diplomatic personnel, I hereby designate and empower the Secretary of State to perform, without the approval, ratification, or other action of the President, the functions vested or to be vested in the President by Sections 4 and 6 of the Diplomatic Relations Act (92 Stat. 809; 22 U.S.C. 254c and 254e).

A handwritten signature in cursive script, reading "Jimmy Carter". The signature is written in dark ink and is positioned to the right of the main body of text.

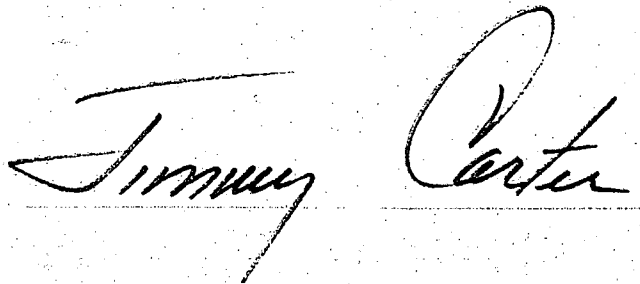
THE WHITE HOUSE,

EXECUTIVE ORDER

- - - - -

LEVELS IV AND V OF THE EXECUTIVE SCHEDULE

By the authority vested in me as President of the United States of America by Section 5317 of Title 5 of the United States Code, and in order to place the position of Director of Policy Review, Department of Defense, in level IV of the Executive Schedule, Executive Order No. 12076 of August 18, 1978, is amended by deleting "Director of Policy Review, Department of Defense." from Section 1-102(e) and inserting "(r) Director of Policy Review, Department of Defense." in alphabetical order in Section 1-101 thereof.

A handwritten signature in cursive script, reading "Jimmy Carter", written over a horizontal line.

THE WHITE HOUSE,

ID 785859

THE WHITE HOUSE

WASHINGTON

DATE: 16 NOV 78

FOR ACTION: ZBIG BRZEZINSKI

*hand done
replied*

INFO ONLY: THE VICE PRESIDENT

SUBJECT: LIPSHUTZ MEMO RE PROPOSED EXECUTIVE ORDERS ENTITLED:
PRIVILEGES, IMMUNITIES, AND LIABILITY INSURANCE FOR DIPL.
MISSIONS AND PERSONNEL; LEVELS IV AND V OF EXEC SCHEDULE

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM SATURDAY 18 NOV 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

8
THE WHITE HOUSE
WASHINGTON

17 Nov 78

Jim McIntyre
Richard Pettigrew
Jerry Rafshoon

The attached was returned in the
President's outbox. It is
forwarded to you for
appropriate handling.

Rick Hutcheson

The Vice President
Stu Eizenstat
Jody Powell
Jack Watson
Anne Wexler
Fran Voorde

<input type="checkbox"/>	FOR STAFFING
<input type="checkbox"/>	FOR INFORMATION
<input checked="" type="checkbox"/>	FROM PRESIDENT'S OUTBOX
<input type="checkbox"/>	LOG IN/TO PRESIDENT TODAY
<input type="checkbox"/>	IMMEDIATE TURNAROUND
<input type="checkbox"/>	NO DEADLINE
<input type="checkbox"/>	LAST DAY FOR ACTION -

ACTION
FYI

*of Rafshoon &
McIntyre memos
only*

<input type="checkbox"/>	ADMIN CONFID
<input type="checkbox"/>	CONFIDENTIAL
<input type="checkbox"/>	SECRET
<input type="checkbox"/>	EYES ONLY

<input checked="" type="checkbox"/>	VICE PRESIDENT
<input checked="" type="checkbox"/>	EIZENSTAT
<input type="checkbox"/>	JORDAN
<input type="checkbox"/>	KRAFT
<input type="checkbox"/>	LIPSHUTZ
<input type="checkbox"/>	MOORE
<input checked="" type="checkbox"/>	POWELL
<input checked="" type="checkbox"/>	WATSON
<input checked="" type="checkbox"/>	WEXLER
<input type="checkbox"/>	BRZEZINSKI
<input checked="" type="checkbox"/>	MCINTYRE
<input type="checkbox"/>	SCHULTZE

<input type="checkbox"/>	ARAGON
<input type="checkbox"/>	BOURNE
<input type="checkbox"/>	BUTLER
<input type="checkbox"/>	H. CARTER
<input type="checkbox"/>	CLOUGH
<input type="checkbox"/>	COSTANZA
<input type="checkbox"/>	CRUIKSHANK
<input type="checkbox"/>	FALLOWS
<input type="checkbox"/>	FIRST LADY
<input type="checkbox"/>	GAMMILL
<input type="checkbox"/>	HARDEN
<input type="checkbox"/>	HUTCHESON
<input type="checkbox"/>	JAGODA
<input type="checkbox"/>	LINDER
<input type="checkbox"/>	MITCHELL
<input type="checkbox"/>	MOE
<input type="checkbox"/>	PETERSON
<input checked="" type="checkbox"/>	PETTIGREW
<input type="checkbox"/>	PRESS
<input checked="" type="checkbox"/>	RAFSHOON
<input checked="" type="checkbox"/>	SCHNEIDERS
<input checked="" type="checkbox"/>	VOORDE
<input type="checkbox"/>	WARREN
<input type="checkbox"/>	WISE

<input type="checkbox"/>	ADAMS
<input type="checkbox"/>	ANDRUS
<input type="checkbox"/>	BELL
<input type="checkbox"/>	BERGLAND
<input type="checkbox"/>	BLUMENTHAL
<input type="checkbox"/>	BROWN
<input type="checkbox"/>	CALIFANO
<input type="checkbox"/>	HARRIS
<input type="checkbox"/>	KREPS
<input type="checkbox"/>	MARSHALL
<input type="checkbox"/>	SCHLESINGER
<input type="checkbox"/>	STRAUSS
<input type="checkbox"/>	VANCE

THE WHITE HOUSE
WASHINGTON

11/17/78

Mr. President:

Attached are several memos dealing with proposals to counter waste and fraud in government.

McIntyre, Pettigrew and Voorde agree with the speech proposed by Jerry Rafshoon. Pettigrew: "You must get out in front and stay out front on this issue. Waiting until next year would run the risk of having Sen. Chiles or someone else on the Hill take the public lead on this." McIntyre believes that the speech would permit you to announce new administrative initiatives to fight waste and fraud, and to report on the results of efforts already underway.

Lipshutz and Wexler concur with McIntyre & Pettigrew's suggestion that you send out the attached memo to heads of agencies and departments. Anne thinks the memo should also be related to the anti-inflation effort. Fallows has edited the proposed memo.

Watson points out that McIntyre and Pettigrew will be making a presentation at Monday's Cabinet meeting.

Eizenstat's comment is attached. No comments from Kraft or Kahn.

--Rick

THE WHITE HOUSE

WASHINGTON

November 10, 1978

MEMORANDUM FOR THE PRESIDENT

FROM: JERRY RAFSHOON

SUBJECT: Waste and Fraud Speech

*Get speech
first. Then
outline / draft
I'll decide
whether to give it
J*

In your response to our ninety-day agenda you approved the idea of a waste and fraud speech sometime before January 1. I believe that it is important for you to give the speech soon. There are several reasons for this:

- 1) It reinforces your anti-inflation program and themes.
- 2) There is the continuing danger of losing the initiative on this issue and being blamed for it.
- 3) That danger is made greater by the fact that the public believes that there is something you can do about waste and fraud. Unlike the economy, this is an issue on which you can be held personally responsible.
- 4) The comprehensive package which you will announce should have a legislative component which should be ready for submission in January.
- 5) With Congress out, this is a good time to focus public attention on this issue.

Since we first started considering a waste and fraud strategy much work has been done at OMB, Justice and elsewhere. I am concerned that we need an action-forcing event to bring it all together and go public with it. For this reason I suggest that the following steps be taken:

1. Phil and I work together to arrange for a major speech in Washington or elsewhere before the end of the year. HEW is having a major conference on this subject on December 13-14, which might be the right forum.

2. You ask Stu to work with Jim McIntyre to pull together the elements of a comprehensive and tough fraud and waste strategy (comparable to your inflation package) and to work with us on the announcement of it in the speech.

I have grown increasingly concerned about this issue because I believe that much of the general frustration and anger of the public over a variety of issues is going to be focused on this area. The issue is clear-cut and somewhat satisfying in that blame can be assigned to specific individuals. It is a very large and very powerful issue and our response must be appropriate.

MCINTYRE-
PETTIGREW



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

14 NOV 1978

*Hold letter
until we get our
act together.
You, Ste, Scotty, Jack
& Jerry.
J*

MEMORANDUM FOR THE PRESIDENT

FROM: Jim McIntyre *Jim*
Dick Pettigrew *Dick*

SUBJECT: Steps to Curb Fraud and Waste in
Government Programs

As you requested, we have developed for Cabinet presentation a series of steps to increase the priority and effectiveness of agency activities to combat fraud and waste.

Since there will be no Cabinet meeting for several weeks, we recommend that you initiate these steps by means of the attached directive to department and agency heads. Issuing it now will provide Presidential urgency to agency efforts. It will also provide one of the necessary foundations for the speech you have agreed to make in the near future on government fraud and waste.

The memo extends important elements of the new Inspector General legislation government-wide. In addition, it implements key suggestions made in the GAO report on government fraud, recently brought to your attention by Senator Chiles. In combination, these steps will both enhance our ability to stay in front of the fraud/waste issue and improve our capacity to prevent criminal acts and mismanagement from occurring.

We still plan a short presentation at the next Cabinet meeting to discuss the anti-fraud/anti-waste program and the priority you assign it.

Attachment


THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR:

THE PRESIDENT

FROM:

STU EIZENSTAT 

SUBJECT:

Rafshoon Memo on Waste and Fraud Speech

I agree with Jerry that a major speech is desirable. However, I believe it is essential for us to have a credible program in this area before a major speech is given. After reviewing OMB's efforts I am not convinced that we are yet ready. Scotty Campbell has come to see me to point out his concerns, (which I fully share) on a confidential basis. OMB has concentrated largely on identifying the White House with efforts by the Inspectors General to root out and punish cases of fraud and abuse, and to identify areas of waste including small budget cuts in areas such as travel.

Pointing out flagrant abuse is important. But I agree with Scotty that by itself this effort will simply confirm public distrust with the Executive Branch, which will inevitably rub off on the White House. (Over the last year one poll shows public confidence in the Executive Branch falling over the last year from 29% to 14%.) Moreover, this approach taken alone may not be the best way to root out the management problems that lie at the heart of identified cases of abuse in GSA, SBA and other agencies.

I have asked Scotty to provide his views with respect to an affirmative program (including use of private sector resources) to produce short-turnaround, positive management improvements in troubled agencies. I am impressed with his ideas, and would urge you to withhold decision on the timing and content of the speech until you receive his memo early next week.

For example, Scotty will likely propose creation of Management Analysis Teams, which will include representatives of private industry, to go into individual agencies on a two or three month basis to establish major management changes. He will also likely recommend the creation of a Management Council including key private sector representatives that will report regularly to you on the results that these teams will be able to achieve. Such an approach will provide a positive thrust for the speech.

Your civil service reform -- your most important management initiative -- will be judged at the time of the election, by what the Administration has achieved in positive terms. A speech which deals only with fraud and abuse will create an overly negative tone and tend to run against ourselves.

*S
I
G
N
A
T
U
R
E*

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HEADS OF

EXECUTIVE DEPARTMENTS AND AGENCIES

Government resources must be managed without waste, fraud, and inefficiency. In managing the tax money of the American people, we are managing a public trust.

Last month, I approved a law establishing Offices of Inspectors General in twelve major departments and agencies. I am directing you today to extend significant features of the Inspectors General program throughout the Federal government. In all agencies, the audit, investigation, and management improvement efforts are to be given the highest priority, so that we may achieve tangible results. Eliminating waste, fraud, and mismanagement should be as important to you as the objectives of your programs.

First, by December 31, each of you should develop for my review a comprehensive plan for eliminating waste, fraud, and mismanagement in your agencies. You should designate immediately a single official, directly accountable to you, to oversee the preparation and implementation of the plan. The plan should include at least:

- o An analysis of all resources now devoted to the audit and investigation functions, and an analysis of your department or agency's ability to detect and prevent fraud.
- o A report on all of the major audits and investigations of your agency or department conducted by your staff, the General Accounting Office, or others in Fiscal Years 1977 and 1978. The report should include actions taken following the audits or investigations.
- o A preliminary assessment of the programs and activities in your agency which are most susceptible to fraud, waste, and other abuses, and steps that should be taken to reduce the possibility of problems.

- o Preliminary plans for using the audit and investigation powers to deal with management and potential fraud problems.

Second, I expect each of you personally to review and respond to major allegations of fraud, waste or mismanagement from the Comptroller General and others.

Third, I would like each of you to submit to me, before the end of the year, your suggestions on government-wide actions I can take, including legislative proposals, to reduce waste, fraud, and inefficiencies.

Fourth, I am assigning the Director of the Office of Management and Budget to oversee this program for me. He will provide additional advice and guidance where it is needed, and appropriate. He will keep me abreast of the program's progress, and the activities of the Inspectors General and their counterparts in other agencies.

Fifth, I am directing the Attorney General, after consulting with OMB and other agencies, to present a comprehensive action plan to ensure that the investigations of the Inspectors General and similar officers are effective and coordinated. The plan is to be presented for my review by November 30.

Finally, I am directing the Chairman of the Civil Service Commission (or following the establishment of the Office of Personnel Management, its Director), to work along with the Attorney General and the Secretary of the Treasury to improve the training of the Executive Branch's investigative and audit staffs.

✓

ID 785843

THE WHITE HOUSE

WASHINGTON

DATE: 15 NOV 78

FOR ACTION: STU EIZENSTAT *done*

JACK WATSON

JIM FALLOWS *attached*

BOB LIPSHUTZ *attached cover*

ANNE WEXLER *attached cover*

JERRY RAFSHOON

INFO ONLY: THE VICE PRESIDENT

TIM KRAFT *NC*

JODY POWELL

HAMILTON JORDAN

FRANK MOORE

ALFRED KAHN

SUBJECT: MCINTYRE, PETTIGREW MEMO RE STEPS TO CURB FRAUD AND
WASTE IN GOVERNMENT PROGRAMS *NC*

RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052)

BY: 1200 PM FRIDAY 17 NOV 78

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

14 NOV 1973

MEMORANDUM FOR THE PRESIDENT

FROM: Jim McIntyre (Signed) T Jim
Dick Pettigrew *Dick*

SUBJECT: Steps to Curb Fraud and Waste in
Government Programs

As you requested, we have developed for Cabinet presentation a series of steps to increase the priority and effectiveness of agency activities to combat fraud and waste.

Since there will be no Cabinet meeting for several weeks, we recommend that you initiate these steps by means of the attached directive to department and agency heads. Issuing it now will provide Presidential urgency to agency efforts. It will also provide one of the necessary foundations for the speech you have agreed to make in the near future on government fraud and waste.

The memo extends important elements of the new Inspector General legislation government-wide. In addition, it implements key suggestions made in the GAO report on government fraud, recently brought to your attention by Senator Chiles. In combination, these steps will both enhance our ability to stay in front of the fraud/waste issue and improve our capacity to prevent criminal acts and mismanagement from occurring.

We still plan a short presentation at the next Cabinet meeting to discuss the anti-fraud/anti-waste program and the priority you assign it.

Attachment

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HEADS OF

EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Steps to Curb Fraud and Waste in
Government Programs

The resources of this government must be managed well, without waste, fraud, and inefficiency. The American people believe, and I agree, that managing their tax money is a public trust. That is why, last month, I approved a law establishing Offices of Inspector General in twelve major departments and agencies. Today, I am directing that significant features of the Inspector General program be extended throughout the Federal Government. I expect the audit, investigation, and management improvement efforts of all agencies to be given the highest priority by all of you, so that you can show tangible results to me and to the public. Eliminating waste, fraud, and mismanagement should be as important to you as your program objectives.

First, by December 31, each of you should develop for my review a comprehensive plan for eliminating waste, fraud, and mismanagement in your agencies. You should immediately designate a single official, accountable directly to you, to oversee preparation of the plan and to monitor its implementation for you. The plan should include at a minimum:

- ° An analysis of all resources now devoted to the audit and investigation functions and the capacity of your department or agency to detect and prevent fraud.

- ° A report, including follow-up action taken, on all major audits and investigations conducted by your staff, the General Accounting Office, or others in Fiscal Years 1977 and 1978.
- ° A preliminary assessment of programs and activities in your agency which are most susceptible to fraud, waste and other abuses and steps that should be taken to reduce this susceptibility.
- ° Preliminary plans for using your audit, investigation, and other resources to deal with management and potential fraud problems.

Second, if it has not been your practice, I expect each of you personally to review and respond to major allegations of fraud, waste, or mismanagement from the Comptroller General and others.

Third, by December 31, I would like each of you to submit to me your suggestions on government-wide action I can take, including legislative proposals, to reduce waste, fraud, and inefficiencies.

Fourth, I am assigning the Director of the Office of Management and Budget responsibility for overseeing this program for me. He will provide additional guidance as appropriate. He will be responsible for keeping me informed about progress under the program and activities of Inspectors General and their counterparts in other agencies.

Fifth, I am directing the Attorney General, after consultation with OMB and other agencies, to present for my review by November 30, a comprehensive action plan to ensure that investigations by Inspectors General and similar officers are effective and coordinated with other investigative and prosecutorial activities.

Finally, I am directing the Chairman of the Civil Service Commission (or, following its establishment, the Director of the Office of Personnel Management), working with the Attorney General and the Secretary of the Treasury, to improve the training of investigative and audit staffs throughout the Executive Branch.

THE WHITE HOUSE

WASHINGTON

November 16, 1978

MEMORANDUM FOR THE PRESIDENT

THROUGH: RICK HUTCHESON

FROM: ANNE WEXLER *[Signature]*

SUBJECT: McIntyre, Pettigrew Memo re: Steps
to Curb Fraud and Waste in Government
Programs

I concur with the memo.

However, the release of the memorandum should be accompanied by an appropriate statement or press release relating the effort to curb fraud and waste to our anti-inflation initiatives. One of the ways to reduce the deficit is to stop wasting money, and one of the ways to assure that we continue to meet our domestic objectives --- jobs, health, etc. --- is to make sure that we spend money effeciently and effectively.

cc: Jim McIntyre
Jerry Rafshoon
Stu Eizenstat
Jim Fallows

THE WHITE HOUSE

WASHINGTON

November 16, 1978

MEMORANDUM FOR RICK HUTCHESON

FROM:

JACK WATSON *Jack*
GENE EIDENBERG *Gene*

SUBJECT:

McIntyre/Pettigrew Memo regarding
Steps to ~~Curb~~ Fraud and Waste in
Government Programs

There is a Cabinet meeting on November 20th. Doesn't that change the premise of this? The McIntyre/Pettigrew presentation is scheduled for the Cabinet meeting.

ID 785843

THE WHITE HOUSE

WASHINGTON

DATE: 15 NOV 78

FOR ACTION: STU EIZENSTAT

JACK WATSON

JIM FALLOWS

BOB LIPSHUTZ ✓

ANNE WEXLER

JERRY RAFSHOON

INFO ONLY: THE VICE PRESIDENT

TIM KRAFT

JODY POWELL

HAMILTON JORDAN

FRANK MOORE

ALFRED KAHN

SUBJECT: MCINTYRE, PETTIGREW MEMO RE STEPS TO CURB FRAUD AND
WASTE IN GOVERNMENT PROGRAMS

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM FRIDAY 17 NOV 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: (✓) I CONCUR. () NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

*But see one suggested change in
the language of the Presidential
memorandum.*

RJZ

*pp 1 & 2
Marked for
should be as
marked*

THE WHITE HOUSE

WASHINGTON

MEMORANDUM FOR THE HEADS OF

EXECUTIVE DEPARTMENTS AND AGENCIES

SUBJECT: Steps to Curb Fraud and Waste in
Government Programs

The resources of this government must be managed well, without waste, fraud, and inefficiency. The American people believe, and I agree, that managing their tax money is a public trust. That is why, last month, I approved a law establishing Offices of Inspector General in twelve major departments and agencies. Today, I am directing that significant features of the Inspector General program be extended throughout the Federal Government. I expect the audit, investigation, and management improvement efforts of all agencies to be given the highest priority by all of you, so that you can show tangible results to me and to the public. Eliminating waste, fraud, and mismanagement ~~should be as important to you as~~ your program objectives.

First, by December 31, each of you should develop for my review a comprehensive plan for eliminating waste, fraud, and mismanagement in your agencies. You should immediately designate a single official, accountable directly to you, to oversee preparation of the plan and to monitor its implementation for you. The plan should include at a minimum:

- ° An analysis of all resources now devoted to the audit and investigation functions and the capacity of your department or agency to detect and prevent fraud.

will contribute in a major way
to reaching your ----

NOV 15 P.M.

ID 785843

THE WHITE HOUSE

WASHINGTON

DATE: 15 NOV 78

FOR ACTION: STU EIZENSTAT

BOB LIPSHUTZ

JACK WATSON

ANNE WEXLER

JIM FALLOWS

JERRY RAFSHOON

INFO ONLY: ~~THE VICE PRESIDENT~~

HAMILTON JORDAN

~~TIM KRAFT~~

FRANK MOORE

JODY POWELL

ALFRED KAHN

SUBJECT: MCINTYRE, PETTIGREW MEMO RE STEPS TO CURB FRAUD AND
WASTE IN GOVERNMENT PROGRAMS

+++++
+ RESPONSE DUE TO RICK HUTCHESON STAFF SECRETARY (456-7052) +
+ BY: 1200 PM FRIDAY 17 NOV 78 +
+++++

ACTION REQUESTED: YOUR COMMENTS

STAFF RESPONSE: () I CONCUR. (☒) NO COMMENT. () HOLD.

PLEASE NOTE OTHER COMMENTS BELOW:

5906

THE WHITE HOUSE

WASHINGTON

Date: November 11, 1978

MEMORANDUM

FOR ACTION:

Stu Eizenstat will comment *w/52 - Thurs pm*
Jody Powell
Jim McIntyre attached
Fran Voorde attached
Phil Wise
Patterson - attached

FOR INFORMATION:

The Vice President
Hamilton Jordan

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Rafshoon memo re Waste and Fraud Speech

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 Noon

DAY: TUESDAY

DATE: 14 Noon 1978

ACTION REQUESTED:

Other: ☐ Your comments

STAFF RESPONSE:

☐ I concur. ☐ No comment.
Please note other comments below:

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)



EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

14 NOV 1978

MEMORANDUM FOR THE PRESIDENT

FROM: James T. McIntyre, Jr. *Jim*

SUBJECT: Comment on Jerry Rafshoon's Memo of
November 10 (Waste and Fraud Speech)

I concur that a major speech is appropriate before the end of the year and that HEW's December 13-14 conference may be an appropriate forum.

My staff is working closely with Stu's and Dick Pettigrew's staffs and with the Justice Department to develop a waste and fraud package. Though it is unlikely that broad legislative initiatives will emerge, you will be able to announce a number of new administrative initiatives and report on the results of efforts already underway, including cash management reform.

The first steps are contained in a memo to department and agency heads that will be in the White House staffing process tomorrow. It extends significant elements of the IG program government-wide and makes specific assignments to OMB, Justice, the Office of Personnel Management and all agencies.

THE WHITE HOUSE

WASHINGTON

November 14, 1978

MEMORANDUM TO: THE PRESIDENT

FROM: DICK PETTIGREW *Dick*

SUBJECT: Rafshoon Memo re Waste and Fraud
Speech

Such a speech would be extremely timely. You must get out front and stay out front on this issue. Waiting until next year would run the risk of having Senator Chiles or someone else on the Hill take the public lead on this issue.

I also agree that the public views inflation, bureaucratic excess, government waste, and the outright corruption evidenced at GSA as part of one big problem -- a mismanaged and bloated bureaucracy. For this reason, I believe you should present your anti-fraud initiative not as an abrupt new departure but as the next step in your continuing campaign to "clean up the bureaucracy."

At your direction, I have been working with Jim McIntyre to develop a waste and fraud strategy. Our initial recommendation on this will be submitted to you within the next day or two. Fifteen minutes have been set aside at the November 20 Cabinet meeting for a discussion of this issue.

Date: November 11, 1978

MEMORANDUM

FOR ACTION:

Stu Eizenstat
Jody Powell
Jim McIntyre
Eran Voorde
Phil Wise

FOR INFORMATION:

The Vice President
Hamilton Jordan

FROM: Rick Hutcheson, Staff Secretary

SUBJECT: Rafshoon memo re Waste and Fraud Speech

YOUR RESPONSE MUST BE DELIVERED
TO THE STAFF SECRETARY BY:

TIME: 12:00 Noon

DAY: TUESDAY

DATE: 14 Noon 1978

ACTION REQUESTED:

☐ Your comments

Other:

STAFF RESPONSE:

☐ I concur.

☐ No comment.

Please note other comments below:

11/11/78

Rick -

I think we should do the HEW
Waste & Fraud Seminar if Staff can
be ready w/ something meaningful
to say
fran

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately. (Telephone, 7052)